

**Executive Summary – Enforcement Matter – Case No. 51974
Cabot Norit Americas, Inc.
RN102609724
Docket No. 2016-0309-AIR-E**

Order Type:

Findings Agreed Order

Findings Order Justification:

People or environmental receptors have been exposed to pollutants which exceed levels that are protective.

Media:

AIR

Small Business:

No

Location(s) Where Violation(s) Occurred:

Marshall Plant, 3200 University Avenue, Marshall, Harrison County

Type of Operation:

Activated carbon manufacturing plant

Other Significant Matters:

Additional Pending Enforcement Actions: No

Past-Due Penalties: No

Other: N/A

Interested Third-Parties: None

Texas Register Publication Date: July 1, 2016

Comments Received: No

Penalty Information

Total Penalty Assessed: \$65,208

Amount Deferred for Expedited Settlement: \$0

Amount Deferred for Financial Inability to Pay: \$0

Total Paid to General Revenue: \$32,604

Total Due to General Revenue: \$0

Payment Plan: N/A

Supplemental Environmental Project ("SEP") Conditional Offset: \$32,604

Name of SEP: Texas Association of Resource Conservation and Development
Areas, Inc. (Third-Party Pre-Approved)

Compliance History Classifications:

Person/CN - Satisfactory

Site/RN - Satisfactory

Major Source: Yes

Statutory Limit Adjustment: \$9,750

Applicable Penalty Policy: April 2014

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Investigation Information

Complaint Date(s): N/A

Complaint Information: N/A

Date(s) of Investigation: January 12, 2016

Date(s) of NOE(s): February 4, 2016

Violation Information

1. Failed to report on final records all individually listed compounds or mixtures of air contaminants for reportable emissions events [30 TEX. ADMIN. CODE §§ 101.201(b)(1)(G) and (b)(1)(H) and 122.143(4), Federal Operating Permit ("FOP") No. O3335, Special Terms and Conditions ("STC") No. 2.F., and TEX. HEALTH & SAFETY CODE § 382.085(b)].
2. Failed to submit an initial notification for Incident No. 212534 within 24 hours after discovery of the emissions event [30 TEX. ADMIN. CODE §§ 101.201(a)(1)(B) and 122.143(4), FOP No. O3335, STC No. 2.F., and TEX. HEALTH & SAFETY CODE § 382.085(b)].
3. Failed to prevent unauthorized emissions. Since this emissions event was not properly reported, the Respondent is precluded from asserting an affirmative defense under 30 TEX. ADMIN. CODE § 101.222 [30 TEX. ADMIN. CODE §§ 116.115(c) and 122.143(4), FOP No. O3335, STC No. 8, New Source Review ("NSR") Permit No. 56552, Special Conditions ("SC") No. 1, and TEX. HEALTH & SAFETY CODE § 382.085(b)].
4. Failed to prevent unauthorized emissions. Since this emissions event could have been prevented by better operational practices and was not reported correctly, the Respondent is precluded from asserting an affirmative defense under 30 TEX. ADMIN. CODE § 101.222 [30 TEX. ADMIN. CODE §§ 116.115(c) and 122.143(4), FOP No. O3335, STC No. 8, NSR Permit No. 56552, SC No. 1, and TEX. HEALTH & SAFETY CODE § 382.085(b)].
5. Failed to prevent unauthorized emissions. Since this emissions event could have been prevented by better operational practices and was not reported correctly, the Respondent is precluded from asserting an affirmative defense under 30 TEX. ADMIN. CODE § 101.222 [TEX. HEALTH & SAFETY CODE § 382.085(a) and (b)].
6. Failed to prevent unauthorized emissions. Since this emissions event was not reported correctly, the Respondent is precluded from asserting an affirmative defense under 30 TEX. ADMIN. CODE § 101.222 [30 TEX. ADMIN. CODE §§ 116.115(c) and 122.143(4), FOP No. O3335, STC No. 8, NSR Permit No. 56552, SC No. 1, and TEX. HEALTH & SAFETY CODE § 382.085(b)].

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7. Failed to prevent unauthorized emissions. Since this emissions event was not reported correctly, the Respondent is precluded from asserting an affirmative defense under 30 TEX. ADMIN. CODE § 101.222 [TEX. HEALTH & SAFETY CODE § 382.085(a) and (b)].

8. Failed to prevent unauthorized emissions. Since this emissions event was not reported correctly, the Respondent is precluded from asserting an affirmative defense under 30 TEX. ADMIN. CODE § 101.222 [30 TEX. ADMIN. CODE §§ 101.20(3), 116.115(c), and 122.143(4), FOP No. O3335, STC No. 8, NSR Permit Nos. 78421 and PSDTX1183, SC No. 1, and TEX. HEALTH & SAFETY CODE § 382.085(b)].

9. Failed to prevent unauthorized emissions. Since this emissions event was not reported correctly, the Respondent is precluded from asserting an affirmative defense under 30 TEX. ADMIN. CODE § 101.222 [30 TEX. ADMIN. CODE §§ 116.115(c) and 122.143(4), FOP No. O3335, STC No. 8, NSR Permit No. 56552, SC No. 1, and TEX. HEALTH & SAFETY CODE § 382.085(b)].

Corrective Actions/Technical Requirements

Corrective Action(s) Completed:

The Respondent has implemented the following corrective measures:

- a. On January 24, 2015, identified and labelled wiring in the area of Kiln No. 5 in order to prevent the recurrence of emissions events for the same or similar causes as Incident No. 205177;
- b. By February 11, 2015, thawed the frozen instrumentation and improved the instrumentation's freeze protection for the boiler feed water and steam flow transmitters for Kiln No. 3 in order to prevent the recurrence of emissions events for the same or similar causes as Incident No. 208154;
- c. By February 27, 2015, trained operators on the cause of the event and preventative measures for such events in order to prevent the recurrence of emissions events for the same or similar causes as Incident No. 209697;
- d. By March 30, 2015, placed the cooling fan for the variable frequency drive of Kiln No. 5 on a maintenance schedule to have it replaced approximately every 18 months in order to prevent the recurrence of emissions events for the same or similar causes as Incident No. 208265;
- e. On May 13, 2015, replaced the Kiln No. 2 temperature transmitter's power supply and added additional programming to monitor the power supply in order to prevent the recurrence of emissions events for the same or similar causes as Incident No. 212534;

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f. By June 16, 2015, updated emissions events reporting procedures and trained operators on proper reporting procedures in order to ensure the timely submittal of initial notifications and that all air contaminants released are reported on final records for reportable emissions events;

g. By November 16, 2015, installed a bypass line to allow an additional source of water to the Multihearth Furnance's boiler and to improve the Multihearth Furnace's water softener electrical system to reduce the risks of electrical shorts in order to prevent the recurrence of emissions events for the same or similar causes as Incident No. 208916; and

h. On May 2, 2016, installed a full enclosure for the Kiln No. 3 flue gas analyzer to protect it from rain in order to prevent the recurrence of emissions events for the same or similar causes as Incident No. 213904.

Technical Requirements:

The Order will require the Respondent to implement and complete a SEP (see SEP Attachment A).

Litigation Information

Date Petition(s) Filed: N/A
Date Answer(s) Filed: N/A
SOAH Referral Date: N/A
Hearing Date(s): N/A
Settlement Date: N/A

Contact Information

TCEQ Attorney: N/A
TCEQ Enforcement Coordinator: David Carney, Enforcement Division, Enforcement Team 4, MC 149, (512) 239-2583; Michael Parrish, Enforcement Division, MC 219, (512) 239-2548
TCEQ SEP Coordinator: N/A
Respondent: Gavin James Barrack, Facility General Manager, Cabot Norit Americas, Inc., P.O. Box 790, Marshall, Texas 75671
Amy Clyde, Safety, Health & Environmental Manager, Cabot Norit Americas, Inc., P.O. Box 790, Marshall, Texas 75671
Respondent's Attorney: N/A

Attachment A
Docket Number: 2016-0309-AIR-E
SUPPLEMENTAL ENVIRONMENTAL PROJECT

Respondent:	Cabot Norit Americas, Inc.
Penalty Amount:	Sixty-Five Thousand Two Hundred Eight Dollars (\$65,208)
SEP Offset Amount:	Thirty-Two Thousand Six Hundred Four Dollars (\$32,604)
Type of SEP:	Contribution to a Third-Party Pre-Approved SEP
Third-Party Administrator:	Texas Association of Resource Conservation and Development Areas, Inc.
Project Name:	<i>Tire Collection Events and Cleanup of Abandoned Tire Sites</i>
Location of SEP:	Harrison County: Sabine River Basin, Carrizo-Wilcox Plateau Aquifer

The Texas Commission on Environmental Quality (“TCEQ”) agrees to offset a portion of the administrative penalty amount assessed in this Agreed Order for the Respondent to contribute to a Supplemental Environmental Project (“SEP”). The offset is equal to the SEP Offset Amount set forth above and is conditioned upon completion of the project in accordance with the terms of this Attachment A.

1. Project Description

a. Project

The Respondent shall contribute the SEP Offset Amount to the Third-Party Administrator named above. The contribution will be to the **Texas Association of Resource Conservation and Development Areas, Inc. (“RC&D”)** for the *Tire Collection Events and Cleanup of Abandoned Tire Sites* project. The contribution will be used in accordance with the SEP Agreement between the Third-Party Administrator and the TCEQ (the “Project”). Specifically, the SEP Offset Amount will be used to coordinate with local city and county government officials and private entities (“Partner Entities”) to conduct tire collection events where residents will be able to drop off tires for proper disposal or recycling (“Collection Events”), or to clean sites where tires have been disposed of illegally (“Site Cleanups”).

Texas RC&D shall ensure that collected tires, debris, and waste are properly transported to and disposed at an authorized disposal site, and if a licensed hauler is needed for tires or other regulated waste collected from sites, Texas RC&D shall ensure that only properly licensed haulers are used for transport and disposal of tires and regulated wastes. The SEP will be performed in accordance with all federal, state, and local environmental laws and regulations.

Cabot Norit Americas, Inc.
Agreed Order - Attachment A

All dollars contributed will be used solely for the direct cost of the Project, including but not limited to supplies, materials, and equipment. Any portion of this contribution that is not able to be spent on the specifically identified SEP may, at the discretion of the Executive Director (“ED”), be applied to another pre-approved SEP.

The Respondent’s signature affixed to this Agreed Order certifies that it has no prior commitment to make this contribution and that it is being contributed solely in an effort to settle this enforcement action. The Respondent shall not profit in any manner from this SEP.

b. Environmental Benefit

This SEP will provide an environmental benefit by providing communities with a free and convenient means for safe and proper disposal of tires and by reducing the dangers and health threats associated with illegally dumped tires.

The health risks associated with illegal dumping are significant. Areas used for illegal tire dumping may be easily accessible to people, especially children, who are vulnerable to the physical hazards posed by abandoned tires. Rodents, insects, and other vermin attracted to dump sites may also pose health risks. Tire dump sites which contain scrap tires pose an ideal breeding ground for mosquitoes, which can breed 100 times faster in the warm, stagnant water standing in scrap tire casings. Severe illnesses, including West Nile Virus, have been attributed to disease-carrying mosquitoes. The potential for tire fires is also reduced by removing illegally dumped tires. Tire fires can result in the contamination of air, surface water, ground water, and soil. In addition, neighborhoods have been evacuated and property damage has been significant due to tire dump sites that caught fire. Illegal tire dumping can also impact drainage of runoff, making areas more susceptible to flooding when wastes block waterways. Open burning at tire dump sites can cause forest fires and erosion as fires burn away trees and undergrowth. Tire dumping has a negative impact on trees and wildlife, and runoff from tire dumpsites may contain chemicals that can contaminate wells and surface water used for drinking.

c. Minimum Expenditure

The Respondent shall contribute at least the SEP Offset Amount to the Third-Party Administrator and comply with all other provisions of this SEP.

2. Performance Schedule

Within 30 days after the effective date of this Agreed Order, the Respondent must contribute the SEP Offset Amount to the Third-Party Administrator. The Respondent shall make the check payable to **Texas Association of RC&D SEP** and shall mail the contribution with a copy of the Agreed Order to:

Cabot Norit Americas, Inc.
Agreed Order - Attachment A

Texas Association of RC&D Areas, Inc.
Attn.: Jerry Pearce, Executive Director
P.O. Box 2533
Victoria, Texas 77902

3. **Records and Reporting**

Concurrent with the payment of the SEP Offset Amount, the Respondent shall provide the Enforcement SEP Coordinator with a copy of the check and transmittal letter indicating full payment of the SEP Offset Amount to the Third-Party Administrator. The Respondent shall mail a copy of the check and transmittal letter to:

Texas Commission on Environmental Quality
Enforcement Division
Attention: SEP Coordinator, MC 219
P.O. Box 13087
Austin, Texas 78711-3087

4. **Failure to Fully Perform**

If the Respondent does not perform its obligations under this Attachment A, including full expenditure of the SEP Offset Amount, as described in Sections 2 and 3 above, the ED may require immediate payment of all or part of the SEP Offset Amount.

In the event the ED determines that the Respondent failed to fully implement and complete the Project, the Respondent shall remit payment for all or a portion of the SEP Offset Amount, as determined by the ED, and as set forth in the attached Agreed Order. After receiving notice of failure to complete the SEP, the Respondent shall include the docket number of the attached Agreed Order and a note that the enclosed payment is for the reimbursement of a SEP. The Respondent shall make the check payable to "Texas Commission on Environmental Quality," and shall mail it to:

Texas Commission on Environmental Quality
Litigation Division
Attention: SEP Coordinator, MC 175
P.O. Box 13087
Austin, Texas 78711-3087

5. **Publicity**

Any public statements concerning this SEP and/or project, made by or on behalf of the Respondent must include a clear statement that **the project was performed as part of the settlement of an enforcement action brought by the TCEQ**. Such statements include advertising, public relations, and press releases.

6. Recognition

The Respondent may not seek recognition for this contribution in any other state or federal regulatory program.

7. Other SEPs by TCEQ or Other Agencies

The SEP Offset Amount identified in this Attachment A and in the attached Agreed Order has not been, and shall not be, included as a SEP for the Respondent under any other Agreed Order negotiated with the TCEQ or any other agency of the state or federal government.



Penalty Calculation Worksheet (PCW)

Policy Revision 4 (April 2014)

PCW Revision March 26, 2014

TCEQ

DATES	Assigned	8-Feb-2016	Screening	2-Mar-2016	EPA Due	
	PCW	11-May-2016				

RESPONDENT/FACILITY INFORMATION

Respondent	Cabot Norit Americas, Inc.		
Reg. Ent. Ref. No.	RN102609724		
Facility/Site Region	5-Tyler	Major/Minor Source	Major

CASE INFORMATION

Enf./Case ID No.	51974	No. of Violations	9
Docket No.	2016-0309-AIR-E	Order Type	Findings
Media Program(s)	Air	Government/Non-Profit	No
Multi-Media		Enf. Coordinator	David Carney
		EC's Team	Enforcement Team 4
Admin. Penalty \$ Limit Minimum	\$0	Maximum	\$25,000

Penalty Calculation Section

TOTAL BASE PENALTY (Sum of violation base penalties) **Subtotal 1** **\$53,250**

ADJUSTMENTS (+/-) TO SUBTOTAL 1

Subtotals 2-7 are obtained by multiplying the Total Base Penalty (Subtotal 1) by the indicated percentage.

Compliance History **64.0%** Adjustment **Subtotals 2, 3, & 7** **\$34,080**

Notes: Enhancement for one NOV with same/similar violations, one NOV with dissimilar violations, and three agreed orders with denial of liability. Reduction for one notice of intent to conduct an audit and one disclosure of violations.

Culpability **No** **0.0%** Enhancement **Subtotal 4** **\$0**

Notes: The Respondent does not meet the culpability criteria.

Good Faith Effort to Comply Total Adjustments **Subtotal 5** **-\$12,372**

Economic Benefit **0.0%** Enhancement* **Subtotal 6** **\$0**

Total EB Amounts **\$535**
 Estimated Cost of Compliance **\$17,650**
 *Capped at the Total EB \$ Amount

SUM OF SUBTOTALS 1-7 **Final Subtotal** **\$74,958**

OTHER FACTORS AS JUSTICE MAY REQUIRE **0.0%** Adjustment **\$0**

Reduces or enhances the Final Subtotal by the indicated percentage.

Notes:

Final Penalty Amount **\$74,958**

STATUTORY LIMIT ADJUSTMENT **Final Assessed Penalty** **\$65,208**

DEFERRAL **0.0%** Reduction Adjustment **\$0**

Reduces the Final Assessed Penalty by the indicated percentage. (Enter number only; e.g. 20 for 20% reduction.)

Notes:

No deferral is recommended for Findings Orders.

PAYABLE PENALTY **\$65,208**

Screening Date 2-Mar-2016

Docket No. 2016-0309-AIR-E

PCW

Respondent Cabot Norit Americas, Inc.

Policy Revision 4 (April 2014)

Case ID No. 51974

PCW Revision March 26, 2014

Reg. Ent. Reference No. RN102609724

Media [Statute] Air

Enf. Coordinator David Carney

Compliance History Worksheet

>> Compliance History Site Enhancement (Subtotal 2)

Component	Number of...	Number	Adjust.
NOVs	Written notices of violation ("NOVs") with same or similar violations as those in the current enforcement action (<i>number of NOVs meeting criteria</i>)	1	5%
	Other written NOVs	1	2%
Orders	Any agreed final enforcement orders containing a denial of liability (<i>number of orders meeting criteria</i>)	3	60%
	Any adjudicated final enforcement orders, agreed final enforcement orders without a denial of liability, or default orders of this state or the federal government, or any final prohibitory emergency orders issued by the commission	0	0%
Judgments and Consent Decrees	Any non-adjudicated final court judgments or consent decrees containing a denial of liability of this state or the federal government (<i>number of judgments or consent decrees meeting criteria</i>)	0	0%
	Any adjudicated final court judgments and default judgments, or non-adjudicated final court judgments or consent decrees without a denial of liability, of this state or the federal government	0	0%
Convictions	Any criminal convictions of this state or the federal government (<i>number of counts</i>)	0	0%
Emissions	Chronic excessive emissions events (<i>number of events</i>)	0	0%
Audits	Letters notifying the executive director of an intended audit conducted under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (<i>number of audits for which notices were submitted</i>)	1	-1%
	Disclosures of violations under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (<i>number of audits for which violations were disclosed</i>)	1	-2%
Other	Environmental management systems in place for one year or more	No	0%
	Voluntary on-site compliance assessments conducted by the executive director under a special assistance program	No	0%
	Participation in a voluntary pollution reduction program	No	0%
	Early compliance with, or offer of a product that meets future state or federal government environmental requirements	No	0%

Adjustment Percentage (Subtotal 2) 64%

>> Repeat Violator (Subtotal 3)

No

Adjustment Percentage (Subtotal 3) 0%

>> Compliance History Person Classification (Subtotal 7)

Satisfactory Performer

Adjustment Percentage (Subtotal 7) 0%

>> Compliance History Summary

Compliance History Notes

Enhancement for one NOV with same/similar violations, one NOV with dissimilar violations, and three agreed orders with denial of liability. Reduction for one notice of intent to conduct an audit and one disclosure of violations.

Total Compliance History Adjustment Percentage (Subtotals 2, 3, & 7) 64%

>> Final Compliance History Adjustment

Final Adjustment Percentage *capped at 100% 64%

Screening Date 2-Mar-2016
Respondent Cabot Norit Americas, Inc.
Case ID No. 51974

Docket No. 2016-0309-AIR-E

PCW

Policy Revision 4 (April 2014)
 PCW Revision March 26, 2014

Reg. Ent. Reference No. RN102609724

Media [Statute] Air

Enf. Coordinator David Carney

Violation Number 1

Rule Cite(s) 30 Tex. Admin. Code §§ 101.201(b)(1)(G) and (b)(1)(H) and 122.143(4), Federal Operating Permit ("FOP") No. O3335, Special Terms and Conditions ("STC") No. 2.F., and Tex. Health & Safety Code § 382.085(b)

Violation Description Failed to report on final records all individually listed compounds or mixtures of air contaminants for reportable emissions events. Specifically, the Respondent did not report the amount of volatile organic compounds ("VOC") released for Incident Nos. 212534, 209697, 205177, 208154, 208265, 208916, and 213904.

Base Penalty \$25,000

>> Environmental, Property and Human Health Matrix

OR	Release	Harm			Percent
		Major	Moderate	Minor	
	Actual				0.0%
	Potential				

>> Programmatic Matrix

Matrix Notes	Falsification	Harm			Percent
		Major	Moderate	Minor	
				X	1.0%
Less than 30% of the rule requirement was not met.					

Adjustment \$24,750

\$250

Violation Events

Number of Violation Events 7 230 Number of violation days

daily	
weekly	
monthly	
quarterly	
semiannual	
annual	
single event	X

Violation Base Penalty \$1,750

Seven single events are recommended, one for each incomplete final report.

Good Faith Efforts to Comply

25.0% Reduction \$437

	Before NOE/NOV	NOE/NOV to EDPRP/Settlement Offer
Extraordinary		
Ordinary	X	
N/A		

Notes The Respondent came into compliance on June 16, 2015, prior to the Notice of Enforcement ("NOE") dated February 4, 2016.

Violation Subtotal \$1,313

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$47

Violation Final Penalty Total \$2,433

This violation Final Assessed Penalty (adjusted for limits) \$2,433

Economic Benefit Worksheet

Respondent Cabot Norit Americas, Inc.
Case ID No. 51974
Reg. Ent. Reference No. RN102609724
Media Air
Violation No. 1

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
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Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/Construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)	\$1,500	29-Oct-2014	16-Jun-2015	0.63	\$47	n/a	\$47

Notes for DELAYED costs

Estimated delayed cost to update emissions events reporting procedures and train operators on proper reporting procedures in order to ensure the timely submittal of initial notifications and that all air contaminants released are reported on the final records for reportable emissions events. The Date Required is the due date of the first final report and the Final Date is the compliance date.

Avoided Costs

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/Equipment				0.00	\$0	\$0	\$0
Financial Assurance [2]				0.00	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance \$1,500

TOTAL \$47

Screening Date 2-Mar-2016
Respondent Cabot Norit Americas, Inc.
Case ID No. 51974

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PCW

Policy Revision 4 (April 2014)
 PCW Revision March 26, 2014

Reg. Ent. Reference No. RN102609724

Media [Statute] Air

Enf. Coordinator David Carney

Violation Number 2

Rule Cite(s) 30 Tex. Admin. Code §§ 101.201(a)(1)(B) and 122.143(4), FOP No. O3335, STC No. 2.F., and Tex. Health & Safety Code § 382.085(b)

Violation Description

Failed to submit an initial notification for Incident No. 212534 within 24 hours after discovery of the emissions event. Specifically, the initial notification for Incident No. 212534 was due by April 12, 2015 at 12:00 a.m., but was not submitted until April 13, 2015 at 8:55 a.m.

Base Penalty \$25,000

>> Environmental, Property and Human Health Matrix

OR	Release	Harm			Percent
		Major	Moderate	Minor	
	Actual				0.0%
	Potential				

>> Programmatic Matrix

Matrix Notes	Falsification	Harm			Percent
		Major	Moderate	Minor	
				X	1.0%
Less than 30% of the rule requirement was not met.					

Adjustment \$24,750

\$250

Violation Events

Number of Violation Events Number of violation days

daily	
weekly	
monthly	
quarterly	
semiannual	
annual	
single event	X

Violation Base Penalty \$250

One single event is recommended.

Good Faith Efforts to Comply

Reduction

	Before NOE/NOV	NOE/NOV to EDPRP/Settlement Offer
Extraordinary		
Ordinary	X	
N/A		

Notes The Respondent came into compliance by June 16, 2015, prior to the NOE dated February 4, 2016.

Violation Subtotal \$188

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$0

Violation Final Penalty Total \$348

This violation Final Assessed Penalty (adjusted for limits) \$348

Economic Benefit Worksheet

Respondent Cabot Norit Americas, Inc.
Case ID No. 51974
Reg. Ent. Reference No. RN102609724
Media Air
Violation No. 2

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
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Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/Construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)				0.00	\$0	n/a	\$0

Notes for DELAYED costs

Economic Benefit included in violation No. 1.

Avoided Costs

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/Equipment				0.00	\$0	\$0	\$0
Financial Assurance [2]				0.00	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance \$0

TOTAL \$0

Screening Date 2-Mar-2016
Respondent Cabot Norit Americas, Inc.
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PCW

Policy Revision 4 (April 2014)
 PCW Revision March 26, 2014

Reg. Ent. Reference No. RN102609724

Media [Statute] Air
Enf. Coordinator David Carney

Violation Number 3
Rule Cite(s)

30 Tex. Admin. Code §§ 116.115(c) and 122.143(4), FOP No. O3335, STC No. 8, New Source Review ("NSR") Permit No. 56552, Special Conditions ("SC") No. 1, and Tex. Health & Safety Code § 382.085(b)

Violation Description

Failed to prevent unauthorized emissions. Specifically, the Respondent released 811 pounds ("lbs") of carbon monoxide ("CO"), 30 lbs of hydrogen sulfide ("H2S"), 18.22 lbs of nitrogen oxides ("NOx"), 154 lbs of particulate matter ("PM"), 146.91 lbs of sulfur dioxide ("SO2"), and 433 lbs of VOC from the Kiln No. 2 Emergency Stack, Emissions Point Number ("EPN") K2EMERSTK, during an emissions event (Incident No. 212534) that began on April 11, 2015 and lasted four hours and 15 minutes. The emissions event occurred when the kiln's temperature transmitter's power supply failed, giving false temperature readouts to operators which led to upset conditions requiring the opening of the emergency stack. Since this emissions event was not properly reported, the Respondent is precluded from asserting an affirmative defense under 30 Tex. Admin. Code § 101.222.

Base Penalty \$25,000

>> Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual			X
Potential			

Percent 15.0%

>> Programmatic Matrix

Falsification	Major	Moderate	Minor

Percent 0.0%

Matrix Notes

Human health or the environment has been exposed to insignificant amounts of pollutants that do not exceed levels that are protective of human health or environmental receptors as a result of the violation.

Adjustment \$21,250

\$3,750

Violation Events

Number of Violation Events 1 Number of violation days 1

daily	
weekly	
monthly	
quarterly	X
semiannual	
annual	
single event	

Violation Base Penalty \$3,750

One quarterly event is recommended.

Good Faith Efforts to Comply

25.0%

Reduction \$937

Before NOE/NOV NOE/NOV to EDRP/Settlement Offer

Extraordinary		
Ordinary	X	
N/A		

Notes

The Respondent came into compliance on May 13, 2015, prior to the NOE dated February 4, 2016.

Violation Subtotal \$2,813

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$1

Violation Final Penalty Total \$5,213

This violation Final Assessed Penalty (adjusted for limits) \$5,213

Economic Benefit Worksheet

Respondent Cabot Norit Americas, Inc.
Case ID No. 51974
Reg. Ent. Reference No. RN102609724
Media Air
Violation No. 3

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
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Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/Construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)	\$300	11-Apr-2015	13-May-2015	0.09	\$1	n/a	\$1

Notes for DELAYED costs

Delayed cost to replace the Kiln No. 2 temperature transmitter's power supply and to add additional programming to monitor the power supply in order to prevent the recurrence of emissions events for the same or similar causes as Incident No. 212534. The Date Required is the day of the emissions event and the Final Date is the compliance date.

Avoided Costs

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/Equipment				0.00	\$0	\$0	\$0
Financial Assurance [2]				0.00	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance \$300

TOTAL \$1

Screening Date 2-Mar-2016
Respondent Cabot Norit Americas, Inc.
Case ID No. 51974

Docket No. 2016-0309-AIR-E

PCW

Policy Revision 4 (April 2014)
 PCW Revision March 26, 2014

Reg. Ent. Reference No. RN102609724

Media [Statute] Air

Enf. Coordinator David Carney

Violation Number 4

Rule Cite(s)

30 Tex. Admin. Code §§ 116.115(c) and 122.143(4), FOP No. O3335, STC No. 8, NSR Permit No. 56552, SC No. 1, and Tex. Health & Safety Code § 382.085(b)

Violation Description

Failed to prevent unauthorized emissions. Specifically, the Respondent released 1,394.9 lbs of CO, 51.9 lbs of H2S, 21.48 lbs of NOx, 265 lbs of PM, 230 lbs of SO2, and 755 lbs of VOC from the Kiln No. 3 Emergency Stack, EPN K3EMERSTK, during an emissions event (Incident No. 209697) that began on February 2, 2015 and lasted 58 minutes. The emissions event occurred when an operator left the boiler feed water valve partially open during start up of the boiler which later resulted in a low feed level condition requiring the opening of the emergency stack. Since this emissions event could have been prevented by better operational practices and was not reported correctly, the Respondent is precluded from asserting an affirmative defense under 30 Tex. Admin. Code § 101.222.

Base Penalty \$25,000

>> Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual			x
Potential			

Percent 15.0%

>> Programmatic Matrix

Falsification	Major	Moderate	Minor

Percent 0.0%

Matrix Notes

Human health or the environment has been exposed to insignificant amounts of pollutants that do not exceed levels that are protective of human health or environmental receptors as a result of the violation.

Adjustment \$21,250

\$3,750

Violation Events

Number of Violation Events

Number of violation days

daily	
weekly	
monthly	
quarterly	x
semiannual	
annual	
single event	

Violation Base Penalty \$3,750

One quarterly event is recommended.

Good Faith Efforts to Comply

Reduction \$937

Before NOE/NOV NOE/NOV to EDP RP/Settlement Offer

Extraordinary		
Ordinary	x	
N/A		

Notes

The Respondent came into compliance on February 27, 2015, prior to the NOE dated February 4, 2016.

Violation Subtotal \$2,813

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$0

Violation Final Penalty Total \$5,213

This violation Final Assessed Penalty (adjusted for limits) \$5,213

Economic Benefit Worksheet

Respondent Cabot Norit Americas, Inc.
Case ID No. 51974
Reg. Ent. Reference No. RN102609724
Media Air
Violation No. 4

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
------------------	-----------	---------------	------------	-----	----------------	---------------	-----------

Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/Construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling	\$100	2-Feb-2015	27-Feb-2015	0.07	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)				0.00	\$0	n/a	\$0

Notes for DELAYED costs

Delayed cost to train operators on the cause of the event and preventative measures for such events in order to prevent the recurrence of emissions events for the same or similar causes as Incident No. 209697. The Date Required is the day of the emissions event and the Final Date is the compliance date.

Avoided Costs

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/Equipment				0.00	\$0	\$0	\$0
Financial Assurance [2]				0.00	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance

\$100

TOTAL

\$0

Screening Date 2-Mar-2016
Respondent Cabot Norit Americas, Inc.
Case ID No. 51974

Docket No. 2016-0309-AIR-E

PCW

Policy Revision 4 (April 2014)
 PCW Revision March 26, 2014

Reg. Ent. Reference No. RN102609724

Media [Statute] Air

Enf. Coordinator David Carney

Violation Number 5

Rule Cite(s)

Tex. Health & Safety Code § 382.085(a) and (b)

Violation Description

Failed to prevent unauthorized emissions. Specifically, the Respondent released 898 lbs of CO, 23 lbs of H2S, 9 lbs of NOx, 212 lbs of PM, 35 lbs of SO2, and 242 lbs of VOC from the Kiln No. 5 Emergency Stack, EPN K5EMERSTK, during an emissions event (Incident No. 205177) that began on October 15, 2014 and lasted 30 minutes. The emissions event occurred when an electrician lifted the wrong set of wires causing a power loss to the boiler feed water pumps which resulted in a low feed level condition. Since this emissions event could have been prevented by better operational practices and was not reported correctly, the Respondent is precluded from asserting an affirmative defense under 30 Tex. Admin. Code § 101.222.

Base Penalty \$25,000

>> Environmental, Property and Human Health Matrix

Release	Harm		
	Major	Moderate	Minor
Actual			X
Potential			

Percent 15.0%

>> Programmatic Matrix

Falsification	Major	Moderate	Minor

Percent 0.0%

Matrix Notes

Human health or the environment has been exposed to insignificant amounts of pollutants that do not exceed levels that are protective of human health or environmental receptors as a result of the violation.

Adjustment \$21,250

\$3,750

Violation Events

Number of Violation Events 1

1 Number of violation days

daily	
weekly	
monthly	
quarterly	X
semiannual	
annual	
single event	

Violation Base Penalty \$3,750

One quarterly event is recommended.

Good Faith Efforts to Comply

25.0%

Reduction \$937

Before NOE/NOV NOE/NOV to EDPRP/Settlement Offer

Extraordinary	
Ordinary	X
N/A	

Notes

The Respondent came into compliance on January 24, 2015, prior to the NOE dated February 4, 2016.

Violation Subtotal \$2,813

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$1

Violation Final Penalty Total \$5,213

This violation Final Assessed Penalty (adjusted for limits) \$5,213

Economic Benefit Worksheet

Respondent Cabot Norit Americas, Inc.
Case ID No. 51974
Reg. Ent. Reference No. RN102609724
Media Air
Violation No. 5

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
------------------	-----------	---------------	------------	-----	----------------	---------------	-----------

Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/Construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)	\$50	15-Oct-2014	24-Jan-2015	0.28	\$1	n/a	\$1

Notes for DELAYED costs

Delayed cost to identify and label wiring in the area of Kiln No. 5 in order to prevent the recurrence of emissions events for the same or similar causes as Incident No. 205177. The Date Required is the day of the emissions event and the Final Date is the compliance date.

Avoided Costs

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/Equipment				0.00	\$0	\$0	\$0
Financial Assurance [2]				0.00	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance \$50

TOTAL \$1

Screening Date 2-Mar-2016
Respondent Cabot Norit Americas, Inc.
Case ID No. 51974

Docket No. 2016-0309-AIR-E

PCW

Policy Revision 4 (April 2014)
 PCW Revision March 26, 2014

Reg. Ent. Reference No. RN102609724

Media [Statute] Air

Enf. Coordinator David Carney

Violation Number 6

Rule Cite(s) 30 Tex. Admin. Code §§ 116.115(c) and 122.143(4), FOP No. O3335, STC No. 8, NSR Permit No. 56552, SC No. 1, and Tex. Health & Safety Code § 382.085(b)

Violation Description

Failed to prevent unauthorized emissions. Specifically, the Respondent released 1,638.3 lbs of CO, 60.92 lbs of H₂S, 31.95 lbs of NO_x, 311.07 lbs of PM, 263.77 lbs of SO₂, and 887 lbs of VOC from the Kiln No. 3 Emergency Stack, EPN K3EMERSTK, during an emissions event (Incident No. 208154) that began on January 5, 2015 and lasted one hour and 21 minutes. The emissions event occurred when cold weather conditions froze the boiler feed water and steam flow transmitters causing them to give false readings leading to a low feed level condition requiring the opening of the emergency stack. Since this emissions event was not reported correctly, the Respondent is precluded from asserting an affirmative defense under 30 Tex. Admin. Code § 101.222.

Base Penalty \$25,000

>> Environmental, Property and Human Health Matrix

OR	Release	Harm			Percent
		Major	Moderate	Minor	
Actual				X	15.0%
Potential					

>> Programmatic Matrix

Falsification	Harm			Percent
	Major	Moderate	Minor	
				0.0%

Matrix Notes

Human health or the environment has been exposed to insignificant amounts of pollutants that do not exceed levels that are protective of human health or environmental receptors as a result of the violation.

Adjustment \$21,250

\$3,750

Violation Events

Number of Violation Events: 1 Number of violation days: 1

daily	
weekly	
monthly	
quarterly	X
semiannual	
annual	
single event	

Violation Base Penalty \$3,750

One quarterly event is recommended.

Good Faith Efforts to Comply

25.0% Reduction \$937

	Before NOE/NOV	NOE/NOV to EDRP/Settlement Offer
Extraordinary		
Ordinary	X	
N/A		

Notes: The Respondent came into compliance on February 11, 2015, prior to the NOE dated February 4, 2016.

Violation Subtotal \$2,813

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$24 Violation Final Penalty Total \$5,213

This violation Final Assessed Penalty (adjusted for limits) \$5,213

Economic Benefit Worksheet

Respondent Cabot Norit Americas, Inc.
Case ID No. 51974
Reg. Ent. Reference No. RN102609724
Media Air
Violation No. 6

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
------------------	-----------	---------------	------------	-----	----------------	---------------	-----------

Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/Construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)	\$4,700	5-Jan-2015	11-Feb-2015	0.10	\$24	n/a	\$24

Notes for DELAYED costs

Delayed cost to thaw the frozen instrumentation and improve the instrumentation's freeze protection for the boiler feed water and steam flow transmitters for Kiln No. 3 in order to prevent the recurrence of emissions events for the same or similar causes as Incident No. 208154. The Date Required is the day of the emissions event and the Final Date is the compliance date.

Avoided Costs

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/Equipment				0.00	\$0	\$0	\$0
Financial Assurance [2]				0.00	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance \$4,700

TOTAL \$24

Screening Date 2-Mar-2016
Respondent Cabot Norit Americas, Inc.
Case ID No. 51974

Docket No. 2016-0309-AIR-E

PCW

Policy Revision 4 (April 2014)
 PCW Revision March 26, 2014

Reg. Ent. Reference No. RN102609724

Media [Statute] Air

Enf. Coordinator David Carney

Violation Number 7

Rule Cite(s)

Tex. Health & Safety Code § 382.085(a) and (b)

Violation Description

Failed to prevent unauthorized emissions. Specifically, the Respondent released 8,050.03 lbs of CO, 202.4 lbs of H2S, 82.11 lbs of NOx, 1,897.51 lbs of PM, 320.16 lbs of SO2, and 837 lbs of VOC from the Kiln No. 5 Emergency Stack, EPN K5EMERSTK, during an emissions event (Incident No. 208265) that began on January 7, 2015 and lasted six hour and 45 minutes. The emissions event occurred when the cooling fan for the variable frequency drive failed causing the drive to overheat and interrupting the flow of boiler feed water which resulted in a low feed level condition. Since this emissions event was not reported correctly, the Respondent is precluded from asserting an affirmative defense under 30 Tex. Admin. Code § 101.222.

Base Penalty \$25,000

>> **Environmental, Property and Human Health Matrix**

OR	Release	Harm			Percent
		Major	Moderate	Minor	
	Actual		X		30.0%
	Potential				

>> **Programmatic Matrix**

Falsification	Major	Moderate	Minor	Percent
				0.0%

Matrix Notes Human health or the environment has been exposed to significant amounts of pollutants that do not exceed levels that are protective of human health or environmental receptors as a result of the violation.

Adjustment \$17,500

\$7,500

Violation Events

Number of Violation Events 1 Number of violation days 1

daily	
weekly	
monthly	X
quarterly	
semiannual	
annual	
single event	

Violation Base Penalty \$7,500

One monthly event is recommended.

Good Faith Efforts to Comply

25.0%

Reduction \$1,875

Before NOE/NOV NOE/NOV to EDPRP/Settlement Offer

Extraordinary	
Ordinary	X
N/A	

Notes The Respondent came into compliance on March 30, 2015, prior to the NOE dated February 4, 2016.

Violation Subtotal \$5,625

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$11

Violation Final Penalty Total \$10,425

This violation Final Assessed Penalty (adjusted for limits) \$10,425

Economic Benefit Worksheet

Respondent Cabot Norit Americas, Inc.
Case ID No. 51974
Reg. Ent. Reference No. RN102609724
Media Air
Violation No. 7

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
------------------	-----------	---------------	------------	-----	----------------	---------------	-----------

Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/Construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)	\$1,000	7-Jan-2015	30-Mar-2015	0.22	\$11	n/a	\$11

Notes for DELAYED costs

Delayed cost to place the cooling fan for the variable frequency drive of Kiln No. 5 on a maintenance schedule to have it replaced approximately every 18 months in order to prevent the recurrence of emissions events for the same or similar causes as Incident No. 208265. The Date Required is the day of the emissions event and the Final Date is the compliance date.

Avoided Costs

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/Equipment				0.00	\$0	\$0	\$0
Financial Assurance [2]				0.00	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance \$1,000

TOTAL \$11

Screening Date 2-Mar-2016
Respondent Cabot Norit Americas, Inc.
Case ID No. 51974

Docket No. 2016-0309-AIR-E

PCW

Policy Revision 4 (April 2014)
 PCW Revision March 26, 2014

Reg. Ent. Reference No. RN102609724

Media [Statute] Air

Enf. Coordinator David Carney

Violation Number 8

Rule Cite(s) 30 Tex. Admin. Code §§ 101.20(3), 116.115(c), and 122.143(4), FOP No. O3335, STC No. 8, NSR Permit Nos. 78421 and PSDTX1183, SC No. 1, and Tex. Health & Safety Code § 382.085(b)

Violation Description

Failed to prevent unauthorized emissions. Specifically, the Respondent released 12,744 lbs of CO, 168 lbs of H2S, 319.26 lbs of NOx, 271.20 lbs of PM, 1,264.94 lbs of SO2, and 9,648 lbs of VOC from the Multihearth Furnace Vent Nos. 2 and 3, EPNs MHF2VENT and MHF3VENT, respectively, during an emissions event (Incident No. 208916) that began on January 19, 2015 and lasted seven hours and 15 minutes. The emissions event occurred when a blown fuse prevented the water softener feed valves from opening, which restricted the amount of water going to the boiler and resulted in a low feed level condition. Since this emissions event was not reported correctly, the Respondent is precluded from asserting an affirmative defense under 30 Tex. Admin. Code § 101.222.

Base Penalty \$25,000

>> Environmental, Property and Human Health Matrix

OR	Release	Harm			Percent
		Major	Moderate	Minor	
Actual		x			100.0%
Potential					

>> Programmatic Matrix

Falsification	Major	Moderate	Minor	Percent
				0.0%

Matrix Notes Human health or the environment has been exposed to pollutants that exceed levels that are protective of human health or environmental receptors as a result of the violation.

Adjustment \$0

\$25,000

Violation Events

Number of Violation Events 1 Number of violation days 1

daily	x
weekly	
monthly	
quarterly	
semiannual	
annual	
single event	

Violation Base Penalty \$25,000

One daily event is recommended.

Good Faith Efforts to Comply

25.0%

Reduction \$6,250

	Before NOE/NOV	NOE/NOV to EDPRP/Settlement Offer
Extraordinary		
Ordinary	x	
N/A		

Notes The Respondent came into compliance on November 16, 2015, prior to the NOE dated February 4, 2016.

Violation Subtotal \$18,750

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$206

Violation Final Penalty Total \$34,750

This violation Final Assessed Penalty (adjusted for limits) \$25,000

Economic Benefit Worksheet

Respondent Cabot Norit Americas, Inc.
Case ID No. 51974
Reg. Ent. Reference No. RN102609724
Media Air
Violation No. 8

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
Delayed Costs							
Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/Construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)	\$5,000	19-Jan-2015	16-Nov-2015	0.82	\$206	n/a	\$206

Notes for DELAYED costs

Delayed cost to install a bypass line to allow an additional source of water to the Multihearth Furnace's boiler and to improve the Multihearth Furnace's water softener electrical system to reduce the risks of electrical shorts in order to prevent the recurrence of emissions events for the same or similar causes as Incident No. 208916. The Date Required is the day of the emissions event and the Final Date is the compliance date.

Avoided Costs **ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)**

Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/Equipment				0.00	\$0	\$0	\$0
Financial Assurance [2]				0.00	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance

\$5,000

TOTAL

\$206

Screening Date 2-Mar-2016
Respondent Cabot Norit Americas, Inc.
Case ID No. 51974

Docket No. 2016-0309-AIR-E

PCW

Policy Revision 4 (April 2014)
 PCW Revision March 26, 2014

Reg. Ent. Reference No. RN102609724

Media [Statute] Air

Enf. Coordinator David Carney

Violation Number 9

Rule Cite(s)

30 Tex. Admin. Code §§ 116.115(c) and 122.143(4), FOP No. O3335, STC No. 8, NSR Permit No. 56552, SC No. 1, and Tex. Health & Safety Code § 382.085(b)

Violation Description

Failed to prevent unauthorized emissions. Specifically, the Respondent released 1,238 lbs of CO, 46 lbs of H2S, 38.65 lbs of NOx, 235 lbs of PM, 311.64 lbs of SO2, and 670 lbs of VOC from the Kiln No. 3 Emergency Stack, EPN K3EMERSTK, during an emissions event (Incident No. 213904) that began on May 11, 2015 and lasted three hours and 15 minutes. The emissions event occurred when the kiln's flue gas analyzer malfunctioned due to heavy rain which led to a false high reading and the opening of the emergency stack. Since this emissions event was not reported correctly, the Respondent is precluded from asserting an affirmative defense under 30 Tex. Admin. Code § 101.222.

Base Penalty \$25,000

>> Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual			X
Potential			

Percent 15.0%

>> Programmatic Matrix

Falsification	Major	Moderate	Minor

Percent 0.0%

Matrix Notes

Human health or the environment has been exposed to insignificant amounts of pollutants that do not exceed levels that are protective of human health or environmental receptors as a result of the violation.

Adjustment \$21,250

\$3,750

Violation Events

Number of Violation Events 1

1 Number of violation days

daily	
weekly	
monthly	
quarterly	X
semiannual	
annual	
single event	

Violation Base Penalty \$3,750

One quarterly event is recommended.

Good Faith Efforts to Comply

0.0%

Reduction \$0

Before NOE/NOV NOE/NOV to EDPRP/Settlement Offer

Extraordinary		
Ordinary		
N/A	X	

Notes

The Respondent does not meet the good faith criteria for this violation.

Violation Subtotal \$3,750

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$245

Violation Final Penalty Total \$6,150

This violation Final Assessed Penalty (adjusted for limits) \$6,150

Economic Benefit Worksheet

Respondent Cabot Norit Americas, Inc.
Case ID No. 51974
Reg. Ent. Reference No. RN102609724
Media Air
Violation No. 9

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
Delayed Costs							
Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/Construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)	\$5,000	11-May-2015	2-May-2016	0.98	\$245	n/a	\$245

Notes for DELAYED costs

Estimated delayed cost to install a full enclosure for the Kiln No. 3 flue gas analyzer to protect it from rain in order to prevent the recurrence of emissions events for the same or similar causes as Incident No. 213904. The Date Required is the day of the emissions event and the Final Date is the compliance date.

Avoided Costs

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/Equipment				0.00	\$0	\$0	\$0
Financial Assurance [2]				0.00	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance

\$5,000

TOTAL

\$245



Compliance History Report

PUBLISHED Compliance History Report for CN600356372, RN102609724, Rating Year 2015 which includes Compliance History (CH) components from September 1, 2010, through August 31, 2015.

Customer, Respondent, or Owner/Operator:	CN600356372, Cabot Norit Americas, Inc.	Classification:	SATISFACTORY	Rating:	9.16
Regulated Entity:	RN102609724, Marshall Plant	Classification:	SATISFACTORY	Rating:	10.63
Complexity Points:	25	Repeat Violator:	NO		
CH Group:	05 - Chemical Manufacturing				
Location:	3200 UNIVERSITY AVENUE, MARSHALL, TEXAS 75670-4842, HARRISON COUNTY				
TCEQ Region:	REGION 05 - TYLER				

ID Number(s):

POLLUTION PREVENTION PLANNING ID NUMBER P02060

WASTEWATER PERMIT WQ0000703000

WASTEWATER EPA ID TX0000710

INDUSTRIAL AND HAZARDOUS WASTE EPA ID TXD008050189

INDUSTRIAL AND HAZARDOUS WASTE SOLID WASTE REGISTRATION # (SWR) 30101

AIR NEW SOURCE PERMITS PERMIT 2265A

AIR NEW SOURCE PERMITS PERMIT 3068A

AIR NEW SOURCE PERMITS PERMIT 5725A

AIR NEW SOURCE PERMITS REGISTRATION 41090

AIR NEW SOURCE PERMITS ACCOUNT NUMBER HH0019H

AIR NEW SOURCE PERMITS AFS NUM 4820300001

AIR NEW SOURCE PERMITS REGISTRATION 56497

AIR NEW SOURCE PERMITS PERMIT 56552

AIR NEW SOURCE PERMITS REGISTRATION 72698

AIR NEW SOURCE PERMITS PERMIT 78421

AIR NEW SOURCE PERMITS EPA PERMIT PSDTX1183

AIR NEW SOURCE PERMITS REGISTRATION 89199

AIR NEW SOURCE PERMITS REGISTRATION 95581

AIR NEW SOURCE PERMITS REGISTRATION 102514

AIR NEW SOURCE PERMITS REGISTRATION 130157

AIR NEW SOURCE PERMITS REGISTRATION 130035

AIR NEW SOURCE PERMITS REGISTRATION 119095

AIR NEW SOURCE PERMITS REGISTRATION 112511

AIR NEW SOURCE PERMITS REGISTRATION 112509

AIR NEW SOURCE PERMITS REGISTRATION 106336

AIR NEW SOURCE PERMITS REGISTRATION 110066

AIR OPERATING PERMITS ACCOUNT NUMBER HH0019H

AIR OPERATING PERMITS PERMIT 3335

STORMWATER PERMIT TXR05AQ01

AIR EMISSIONS INVENTORY ACCOUNT NUMBER HH0019H

Compliance History Period:	September 01, 2010 to August 31, 2015	Rating Year:	2015	Rating Date:	09/01/2015
Date Compliance History Report Prepared:	March 02, 2016				
Agency Decision Requiring Compliance History:	Enforcement				
Component Period Selected:	March 02, 2011 to March 02, 2016				

TCEQ Staff Member to Contact for Additional Information Regarding This Compliance History.

Name: David Carney

Phone: (512) 239-2583

Site and Owner/Operator History:

- 1) Has the site been in existence and/or operation for the full five year compliance period? YES
- 2) Has there been a (known) change in ownership/operator of the site during the compliance period? NO
- 3) If YES for #2, who is the current owner/operator? N/A
- 4) If YES for #2, who was/were the prior owner(s)/operator(s)? N/A
- 5) If YES, when did the change(s) in owner or operator occur? N/A

Components (Multimedia) for the Site Are Listed in Sections A - J

A. Final Orders, court judgments, and consent decrees:

- 1 Effective Date: 03/03/2012 ADMINORDER 2011-0850-AIR-E (1660 Order-Agreed Order With Denial)

Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
5C THSC Chapter 382 382.085(b)

Rqmt Prov: Special Condition 1(A) PERMIT
Special Condition 5(C)(1) PA
Special Condition 8(E) PA

Description: Failed to comply with permitted emission rates, maximum outlet grain loading limit, and control efficiencies during a stack test conducted on December 21, 2010 on the Multi-Hearth Furnace No. 2 Stack (EPN MHF2STACK).

Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
5C THSC Chapter 382 382.085(b)

Rqmt Prov: Special Conditions 1(A) and 5(C)(1) PA

Description: Failed to comply with permitted emission rates and the maximum outlet grain loading limit during a stack test conducted on December 20, 2010 on the Multi-Hearth Furnace No. 2 Feed Bin [Emission Point Number ("EPN") M2FDBNDCVT].

2 Effective Date: 03/06/2014 ADMINORDER 2013-1533-AIR-E (1660 Order-Agreed Order With Denial)

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter F 101.201(a)(1)(B)
5C THSC Chapter 382 382.085(b)

Rqmt Prov: General Terms and Conditions OP
Special Terms and Conditions 2 OP

Description: Failure to properly notify the Tyler Regional Office of a reportable emissions event during the localized fire at MHF3 Cyclone #1.

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
30 TAC Chapter 116, SubChapter B 116.115(b)(2)(F)
30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)
5C THSC Chapter 382 382.085(b)

Rqmt Prov: General Terms and Conditions OP
Special Terms and Conditions 2 OP

Description: Failure to prevent unauthorized emissions during the localized fire at MHF3 Cyclone #1.

Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(b)(2)(F)
30 TAC Chapter 122, SubChapter B 122.143(4)
5C THSC Chapter 382 382.085(b)

Rqmt Prov: GC OP

Description: Failure to maintain the Ammonia (NH3) 2.75 lb/hr allowable emission rate at the Multi-Hearth Furnace No. 2 Stack (EPN MHF2STACK) below NSR Permit No. 102514 limits.

3 Effective Date: 08/10/2015 ADMINORDER 2014-1579-AIR-E (1660 Order-Agreed Order With Denial)

Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)
5C THSC Chapter 382 382.085(b)

Rqmt Prov: Special Condition No. 9 PERMIT
STC No. 8 OP

Description: Failed to maintain the minimum pH level for Kiln 2. Specifically, the pH level for Kiln 2 fell below 6.4 on 15 occasions from September 4, 2010 through August 31, 2011.

Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)
5C THSC Chapter 382 382.085(b)

Rqmt Prov: Special Condition No. 9 PA
STC No. 8 OP

Description: Failed to maintain the minimum flow rate for Kiln 3. Specifically, the minimum flow rate of 550 GPM was not met for Kiln 3 on January 22, 2011 and July 12, 2011.

Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)
5C THSC Chapter 382 382.085(b)

Rqmt Prov: Special Condition No. 9 PA

STC No. 8 OP

Description: Failed to maintain the minimum pH level for Kiln 3. Specifically, the pH level for Kiln 3 fell below 6.4 on November 4, 2010 and July 12, 2011.

Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)

30 TAC Chapter 122, SubChapter B 122.143(4)

5C THSC Chapter 382 382.085(b)

Rqmt Prov: Special Condition No. 9 PA

STC No. 8 OP

Description: Failed to maintain the minimum flow rate for Kiln 4. Specifically, the minimum flow rate of 550 GPM was not met for Kiln 4 on July 13, 2011, July 14, 2011, and November 5, 2011.

Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)

30 TAC Chapter 122, SubChapter B 122.143(4)

5C THSC Chapter 382 382.085(b)

Rqmt Prov: Special Condition No. 9 PA

STC No. 8 OP

Description: Failed to maintain the minimum pH level for Kiln 4. Specifically, the pH level for Kiln 4 fell below 6.4 on 12 occasions from September 10, 2010 through November 4, 2011.

B. Criminal convictions:

N/A

C. Chronic excessive emissions events:

N/A

D. The approval dates of investigations (CCEDS Inv. Track. No.):

Item 1	March 14, 2011	(916255)
Item 2	March 23, 2011	(907054)
Item 3	April 14, 2011	(924529)
Item 4	May 18, 2011	(937933)
Item 5	June 14, 2011	(923010)
Item 6	June 17, 2011	(945244)
Item 7	July 12, 2011	(952530)
Item 8	August 19, 2011	(959213)
Item 9	August 25, 2011	(949340)
Item 10	September 17, 2011	(965216)
Item 11	October 17, 2011	(971284)
Item 12	November 18, 2011	(977441)
Item 13	December 20, 2011	(984212)
Item 14	January 20, 2012	(990502)
Item 15	February 06, 2012	(982735)
Item 16	February 20, 2012	(997874)
Item 17	February 27, 2012	(988766)
Item 18	March 13, 2012	(993694)
Item 19	March 19, 2012	(1003388)
Item 20	April 04, 2012	(994268)
Item 21	April 13, 2012	(997381)
Item 22	April 19, 2012	(1009954)
Item 23	May 17, 2012	(1016351)
Item 24	June 18, 2012	(1024075)
Item 25	June 22, 2012	(1013518)
Item 26	August 13, 2012	(1023795)
Item 27	October 22, 2012	(1060571)
Item 28	November 26, 2012	(1060572)
Item 29	November 28, 2012	(1041510)
Item 30	December 18, 2012	(1051283)
Item 31	December 19, 2012	(1060570)
Item 32	December 27, 2012	(1060573)
Item 33	January 14, 2013	(1053571)

Published Compliance History Report for CN600356372, RN102609724, Rating Year 2015 which includes Compliance History (CH) components from March 02, 2011, through March 02, 2016.

Item 34	January 22, 2013	(1078779)
Item 35	January 24, 2013	(1053517)
Item 36	February 20, 2013	(1078778)
Item 37	March 19, 2013	(1089212)
Item 38	April 24, 2013	(1095605)
Item 39	May 21, 2013	(1106531)
Item 40	June 25, 2013	(1110208)
Item 41	July 23, 2013	(1117087)
Item 42	August 22, 2013	(1124845)
Item 43	September 20, 2013	(1129449)
Item 44	October 22, 2013	(1135176)
Item 45	November 19, 2013	(1140578)
Item 46	December 18, 2013	(1147033)
Item 47	February 19, 2014	(1160439)
Item 48	February 26, 2014	(1144896)
Item 49	March 20, 2014	(1167087)
Item 50	April 16, 2014	(1158138)
Item 51	April 17, 2014	(1174220)
Item 52	May 19, 2014	(1180408)
Item 53	June 18, 2014	(848830)
Item 54	June 19, 2014	(1187305)
Item 55	July 18, 2014	(1198360)
Item 56	August 14, 2014	(1198361)
Item 57	September 05, 2014	(1192485)
Item 58	September 19, 2014	(1205713)
Item 59	October 17, 2014	(1212120)
Item 60	November 03, 2014	(1167060)
Item 61	November 17, 2014	(1218370)
Item 62	December 12, 2014	(1224155)
Item 63	January 19, 2015	(1230683)
Item 64	February 18, 2015	(1242192)
Item 65	March 19, 2015	(1248524)
Item 66	April 17, 2015	(1255419)
Item 67	May 19, 2015	(1262130)
Item 68	June 17, 2015	(1258770)
Item 69	June 19, 2015	(1269300)
Item 70	July 20, 2015	(1276846)
Item 71	September 18, 2015	(1290163)
Item 72	October 19, 2015	(1296366)
Item 73	November 18, 2015	(1301821)
Item 74	December 10, 2015	(1286534)
Item 75	December 18, 2015	(1308748)

E. Written notices of violations (NOV) (CCEDS Inv. Track. No.):

A notice of violation represents a written allegation of a violation of a specific regulatory requirement from the commission to a regulated entity. A notice of violation is not a final enforcement action, nor proof that a violation has actually occurred.

1	Date:	07/30/2015	(1247752)	CN600356372
	Self Report?	NO		Classification: Minor
	Citation:	30 TAC Chapter 122, SubChapter B 122.143(4) 30 TAC Chapter 122, SubChapter B 122.145(2)(A) 5C THSC Chapter 382 382.085(b) General Terms and Conditions PERMIT		
	Description:	Failed to report violation track No. 523676 as a deviation for the period covering November 22, 2013 through November 21, 2014		
	Self Report?	NO		Classification: Moderate
	Citation:	30 TAC Chapter 116, SubChapter B 116.115(c) 30 TAC Chapter 122, SubChapter B 122.143(4) 5C THSC Chapter 382 382.085(b) General Terms and Conditions PERMIT Special Terms and Conditions 2 PERMIT Special Terms and Conditions 8 PERMIT		
	Description:	During the Site Permit Compliance Investigation (SPCI), Cabot reported that on 5/15/2014 the opacity reading at 3BKBNDCSK of 11% and on 6/5/2014 the		

opacity reading at 5BKBNDCSK of 13.5% exceeded the limit of 10%. This is a violation of NSR Permit 3068A SC 2 which states that opacity emissions from the dust collector must not exceed 10% averaged over a six minute period. 30 TAC 116.115(c) requires the holders of permits, special permits, standard permits, and special exemptions shall comply with

Self Report? NO Classification: Minor
Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)
30 TAC Chapter 122, SubChapter B 122.145(2)(A)
5C THSC Chapter 382 382.085(b)
General Terms and Conditions PERMIT
Description: Failed to report when MHF1, MHF2, and MHF3 afterburner temperatures were below permitted requirements as a deviations for the period covering November 22, 2013 through November 21, 2014
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)
5C THSC Chapter 382 382.085(b)
General Terms and Conditions PERMIT
Special Terms and Conditions 5 PERMIT
Special Terms and Conditions 8 PERMIT
Description: Failed to maintain MHF 1 afterburner temperature above 1400 F during episodes of transient operations for the period covering November 22, 2013 through November 21, 2014
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)
5C THSC Chapter 382 382.085(b)
General Terms and Conditions PERMIT
Special Terms and Conditions 8 PERMIT
Special Terms and Conditions 8(D)(3) PERMIT
Description: Failed to maintain MHF 2, and MHF 3 combustion chambers outlet temperature at no less than 1400 F during episodes of transient operations for the period covering November 22, 2013 through November 21, 2014

2 Date: 07/31/2015 (1283025) CN600356372
Self Report? YES Classification: Moderate
Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)
30 TAC Chapter 305, SubChapter F 305.125(1)
Description: Failure to meet the limit for one or more permit parameter

F. Environmental audits:

Notice of Intent Date: 10/19/2012 (1058534)
Disclosure Date: 06/04/2013
Viol. Classification: Moderate
Citation: 40 CFR Chapter 122, SubChapter D, PT 122, SubPT B 122.28(b)(2)
40 CFR Chapter 281, SubChapter I, PT 281, SubPT B 281.25
Rqmt Prov: PERMIT Requirements 1 and 2
Description: Failure to monitor effluent in accordance with effluent limitations and monitoring requirements.
Viol. Classification: Moderate
Citation: 40 CFR Chapter 122, SubChapter D, PT 122, SubPT B 122.28(b)(2)
40 CFR Chapter 281, SubChapter I, PT 281, SubPT B 281.25
Rqmt Prov: PERMIT Conditions 1.c and 2.a.ii
PERMIT Reporting Requiriements 1 & 2
Description: Failure to monitor and report wastewater discharge parameters in accordance with wasteqater discharge permit requirements.
Viol. Classification: Moderate
Citation: 30 TAC Chapter 319, SubChapter A 319.11(c)
Rqmt Prov: PERMIT Requiriements 1 and 30
Description: Failure to ensure effluent sample containers, holding times, and preservation methods meet the requirements specified in 40 CFR 136.
Viol. Classification: Moderate
Citation: 40 CFR Chapter 122, SubChapter D, PT 122, SubPT B 122.28(b)(2)
40 CFR Chapter 281, SubChapter I, PT 281, SubPT B 281.25
Rqmt Prov: PERMIT Condition 4
Description: Failure to notify the agency prior to accepting or generating wastes that are not described in the permit application.
Viol. Classification: Moderate

Citation: 40 CFR Chapter 122, SubChapter D, PT 122, SubPT B 122.28(b)(2)
40 CFR Chapter 281, SubChapter I, PT 281, SubPT B 281.25
Rqmt Prov: PERMIT Requirement 7.b
Description: Failure to notify the TCEQ Regional Office within 24 hours of becoming aware of noncompliance followed by a written report to the Regional Office and the Enforcement Division within 5 days.
Viol. Classification: Major
Citation: 30 TAC Chapter 281, SubChapter A 281.25(a)(4)
Rqmt Prov: PERMIT Part III, Section A
Description: Failure to develop and implement the Storm Water Pollution Prevention Plan (SWP3) in accordance with the terms and conditions of the general permit for industrial stormwater discharges.
Viol. Classification: Moderate
Citation: 2D TWC Chapter 26, SubChapter A 26.121(c)
30 TAC Chapter 305, SubChapter F 305.125(1)
Rqmt Prov: PERMIT Part III, Sections B & D.1(c)
PERMIT Part IV Section A.3
Description: Failure to conduct periodic inspections and monitoring, maintain rainfall data, and document follow-up investigations for each benchmark monitoring exceedance within 90 days following sampling events in accordance with the terms and conditions of the general permit for industrial stormwater discharges.
Viol. Classification: Moderate
Citation: 30 TAC Chapter 290, SubChapter F 290.122(c)
Description: Failure to conduct annual testing of backflow prevention assemblies and to submit a test maintenance report to the City of Marshall.
Viol. Classification: Moderate
Citation: 40 CFR Chapter 261, SubChapter I, PT 261, SubPT A 261.4(a)(22)
Description: Failure to manage waste Cathode Ray Tubes (CRTs) in accordance with waste management requirements.
Viol. Classification: Moderate
Citation: 30 TAC Chapter 335, SubChapter H 335.261(e)
Description: Failure to comply with lamp crushing minimum requirements.
Viol. Classification: Minor
Citation: 40 CFR Chapter 273, SubChapter I, PT 273, SubPT B 273.14
40 CFR Chapter 273, SubChapter I, PT 273, SubPT B 273.15
40 CFR Chapter 273, SubChapter I, PT 273, SubPT B 273.16
30 TAC Chapter 335, SubChapter H 335.261
Description: Failure to comply with universal waste management requirements.
Viol. Classification: Minor
Citation: 40 CFR Chapter 279, SubChapter I, PT 279, SubPT C 279.22(c)
30 TAC Chapter 324, SubChapter A 324.1
Description: Failure to label used oil containers as "Used Oil."
Viol. Classification: Moderate
Citation: 30 TAC Chapter 335, SubChapter Q 335.476
Description: Failure to submit Source Reduction and Waste Minimization Annual Progress Reports by July 1 each year.
Viol. Classification: Minor
Citation: 30 TAC Chapter 101, SubChapter A 101.10
Description: Failure to report accurate emissions on the annual emissions inventory.
Viol. Classification: Minor
Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
Rqmt Prov: PERMIT Special Condition No. 2
Description: Failure to physically identify and mark in a conspicuous location the source/facility name and EPN for each source listed in the Maximum Allowable Emissions Rate Table (MAERT).
Viol. Classification: Minor
Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
Rqmt Prov: PERMIT Special Condition No. 5.C.(7)
Description: Failure to establish pressure drop ranges for fabric filters associated with EPNs MHF2STACK and MHF3STACK.
Viol. Classification: Moderate
Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
Rqmt Prov: PERMIT Special Condition No. 8.A.(1)
Description: Failure to comply with the hourly throughput limits for activated carbon product.
Viol. Classification: Moderate
Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
Rqmt Prov: PERMIT Condition 2.E.
PERMIT Special Condition No. 8.D (4)a
Description: Failure to establish a minimum and maximum oxygen concentration within 180 days of the initial start-up of MHF2 and MHF3.

Viol. Classification: Moderate
 Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
 Rqmt Prov: PERMIT Special Condition No. 8.E
 Description: Failure to establish a minimum specific gravity, liquid flow rate, and/or liquid supply pressure for the SDA system within 180 days of the initial start-up of MHF2 and MHF3.

Viol. Classification: Moderate
 Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
 Rqmt Prov: PERMIT Special Condition No. 11.E (4).d
 Description: Failure to maintain documentation of liquid specific gravity for 5/6/2012 and 5/27/2012 and failure to report the missing records on the semi-annual deviation report or the annual compliance certification report.

Viol. Classification: Moderate
 Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
 Rqmt Prov: PERMIT Special Condition No. 7
 Description: Failure to calibrate pressure monitoring equipment used to measure the pressure drop across filter media for EPNs MHF2STACK and MHF3STACK.

Viol. Classification: Moderate
 Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
 Rqmt Prov: PERMIT Special Condition Nos. 8 and 12.C
 Description: Failure to maintain documentation of natural gas fuel analysis to document sulfur content.

Viol. Classification: Moderate
 Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
 Rqmt Prov: PERMIT Special Condition No. 12(A)
 Description: Failure to calculate emissions on a 12 month rolling basis to determine compliance with MAERT limitations.

Viol. Classification: Moderate
 Citation: 30 TAC Chapter 106, SubChapter A 106.8
 Description: Failure to maintain required Permit-By-Rule (PBR) documentation.

Viol. Classification: Minor
 Citation: 30 TAC Chapter 106, SubChapter T 106.454(4)(A)
 Description: Failure to post a permanent and conspicuous label summarizing proper operating procedures on or near PBR-authorized degreasing units.

Viol. Classification: Moderate
 Citation: 30 TAC Chapter 116, SubChapter B 116.116(a)(1)
 Description: Failure to construct certain facilities in accordance with preconstruction permit application representations. An evaluation of all permit application representations performed as part of this audit identified inconsistencies with permit application representations.

G. Type of environmental management systems (EMSs):

N/A

H. Voluntary on-site compliance assessment dates:

N/A

I. Participation in a voluntary pollution reduction program:

N/A

J. Early compliance:

N/A

Sites Outside of Texas:

N/A

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY



IN THE MATTER OF AN
ENFORCEMENT ACTION
CONCERNING
CABOT NORIT AMERICAS, INC.
RN102609724

§
§
§
§
§

BEFORE THE
TEXAS COMMISSION ON
ENVIRONMENTAL QUALITY

AGREED ORDER
DOCKET NO. 2016-0309-AIR-E

On _____, the Texas Commission on Environmental Quality ("the Commission" or "TCEQ") considered this agreement of the parties, resolving an enforcement action regarding Cabot Norit Americas, Inc. (the "Respondent") under the authority of TEX. HEALTH & SAFETY CODE ch. 382 and TEX. WATER CODE ch. 7. The Executive Director of the TCEQ, through the Enforcement Division, and the Respondent presented this Order to the Commission.

The Respondent understands that it has certain procedural rights at certain points in the enforcement process, including the right to formal notice of violations, notice of an evidentiary hearing, the right to an evidentiary hearing, and a right to appeal. By entering into this Order, the Respondent agrees to waive all notice and procedural rights.

It is further understood and agreed that this Order represents the complete and fully-integrated agreement of the parties. The provisions of this Order are deemed severable and, if a court of competent jurisdiction or other appropriate authority deems any provision of this Order unenforceable, the remaining provisions shall be valid and enforceable. The duties and responsibilities imposed by this Order are binding upon the Respondent.

The Commission makes the following Findings of Fact and Conclusions of Law:

I. FINDINGS OF FACT

1. The Respondent owns and operates a an activated carbon manufacturing plant located at 3200 University Avenue in Marshall, Harrison County, Texas (the "Plant"). The Plant consists or consisted of one or more sources as defined in TEX. HEALTH & SAFETY CODE § 382.003(12).
2. During a record review conducted on January 12, 2016, an investigator documented that the Respondent did not report the amount of volatile organic compounds ("VOC") released for Incident Nos. 212534, 209697, 205177, 208154, 208265, 208916, and 213904.
3. During a record review conducted on January 12, 2016, an investigator documented that the initial notification for Incident No. 212534 was due by April 12, 2015 at 12:00 a.m., but was not submitted until April 13, 2015 at 8:55 a.m.
4. During a record review conducted on January 12, 2016, an investigator documented that the Respondent released 811 pounds ("lbs") of carbon monoxide ("CO"), 30 lbs of

hydrogen sulfide ("H₂S"), 18.22 lbs of nitrogen oxides ("NO_x"), 154 lbs of particulate matter ("PM"), 146.91 lbs of sulfur dioxide ("SO₂"), and 433 lbs of VOC from the Kiln No. 2 Emergency Stack, Emissions Point Number ("EPN") K2EMERSTK, during an emissions event (Incident No. 212534) that began on April 11, 2015 and lasted four hours and 15 minutes. The emissions event occurred when the kiln's temperature transmitter's power supply failed, giving false temperature readouts to operators which led to upset conditions requiring the opening of the emergency stack. The TCEQ determined that the emissions event was not properly reported.

5. During a record review conducted on January 12, 2016, an investigator documented that the Respondent released 1,394.9 lbs of CO, 51.9 lbs of H₂S, 21.48 lbs of NO_x, 265 lbs of PM, 230 lbs of SO₂, and 755 lbs of VOC from the Kiln No. 3 Emergency Stack, EPN K3EMERSTK, during an emissions event (Incident No. 209697) that began on February 2, 2015 and lasted 58 minutes. The emissions event occurred when an operator left the boiler feed water valve partially open during start up of the boiler which later resulted in a low feed level condition requiring the opening of the emergency stack. The TCEQ determined that the emissions event could have been prevented by better operational practices and was not reported correctly.
6. During a record review conducted on January 12, 2016, an investigator documented that the Respondent released 898 lbs of CO, 23 lbs of H₂S, 9 lbs of NO_x, 212 lbs of PM, 35 lbs of SO₂, and 242 lbs of VOC from the Kiln No. 5 Emergency Stack, EPN K5EMERSTK, during an emissions event (Incident No. 205177) that began on October 15, 2014 and lasted 30 minutes. The emissions event occurred when an electrician lifted the wrong set of wires causing a power loss to the boiler feed water pumps which resulted in a low feed level condition. The TCEQ determined that the emissions event could have been prevented by better operational practices and was not reported correctly.
7. During a record review conducted on January 12, 2016, an investigator documented that the Respondent released 1,638.3 lbs of CO, 60.92 lbs of H₂S, 31.95 lbs of NO_x, 311.07 lbs of PM, 263.77 lbs of SO₂, and 887 lbs of VOC from the Kiln No. 3 Emergency Stack, EPN K3EMERSTK, during an emissions event (Incident No. 208154) that began on January 5, 2015 and lasted one hour and 21 minutes. The emissions event occurred when cold weather conditions froze the boiler feed water and steam flow transmitters causing them to give false readings leading to a low feed level condition requiring the opening of the emergency stack. The TCEQ determined that the emissions event was not reported correctly.
8. During a record review conducted on January 12, 2016, an investigator documented that the Respondent released 8,050.03 lbs of CO, 202.4 lbs of H₂S, 82.11 lbs of NO_x, 1,897.51 lbs of PM, 320.16 lbs of SO₂, and 837 lbs of VOC from the Kiln No. 5 Emergency Stack, EPN K5EMERSTK, during an emissions event (Incident No. 208265) that began on January 7, 2015 and lasted six hour and 45 minutes. The emissions event occurred when the cooling fan for the variable frequency drive failed causing the drive to overheat and interrupting the flow of boiler feed water which resulted in a low feed level condition. The TCEQ determined that the emissions event was not reported correctly.

9. During a record review conducted on January 12, 2016, an investigator documented that the Respondent released 12,744 lbs of CO, 168 lbs of H₂S, 319.26 lbs of NO_x, 271.20 lbs of PM, 1,264.94 lbs of SO₂, and 9,648 lbs of VOC from the Multihearth Furnace Vent Nos. 2 and 3, EPNs MHF2VENT and MHF3VENT, respectively, during an emissions event (Incident No. 208916) that began on January 19, 2015 and lasted seven hours and 15 minutes. The emissions event occurred when a blown fuse prevented the water softener feed valves from opening, which restricted the amount of water going to the boiler and resulted in a low feed level condition. The TCEQ determined that the emissions event was not reported correctly.
10. During a record review conducted on January 12, 2016, an investigator documented that the Respondent released 1,238 lbs of CO, 46 lbs of H₂S, 38.65 lbs of NO_x, 235 lbs of PM, 311.64 lbs of SO₂, and 670 lbs of VOC from the Kiln No. 3 Emergency Stack, EPN K3EMERSTK, during an emissions event (Incident No. 213904) that began on May 11, 2015 and lasted three hours and 15 minutes. The emissions event occurred when the kiln's flue gas analyzer malfunctioned due to heavy rain which led to a false high reading and the opening of the emergency stack. The TCEQ determined that the emissions event was not reported correctly.
11. The Executive Director recognizes that the Respondent has implemented the following corrective measures at the Plant:
 - a. On January 24, 2015, identified and labelled wiring in the area of Kiln No. 5 in order to prevent the recurrence of emissions events for the same or similar causes as Incident No. 205177;
 - b. By February 11, 2015, thawed the frozen instrumentation and improved the instrumentation's freeze protection for the boiler feed water and steam flow transmitters for Kiln No. 3 in order to prevent the recurrence of emissions events for the same or similar causes as Incident No. 208154;
 - c. By February 27, 2015, trained operators on the cause of the event and preventative measures for such events in order to prevent the recurrence of emissions events for the same or similar causes as Incident No. 209697;
 - d. By March 30, 2015, placed the cooling fan for the variable frequency drive of Kiln No. 5 on a maintenance schedule to have it replaced approximately every 18 months in order to prevent the recurrence of emissions events for the same or similar causes as Incident No. 208265;
 - e. On May 13, 2015, replaced the Kiln No. 2 temperature transmitter's power supply and added additional programming to monitor the power supply in order to prevent the recurrence of emissions events for the same or similar causes as Incident No. 212534;
 - f. By June 16, 2015, updated emissions events reporting procedures and trained operators on proper reporting procedures in order to ensure the timely submittal

of initial notifications and that all air contaminants released are reported on final records for reportable emissions events;

- g. By November 16, 2015, installed a bypass line to allow an additional source of water to the Multihearth Furnance's boiler and to improve the Multihearth Furnance's water softener electrical system to reduce the risks of electrical shorts in order to prevent the recurrence of emissions events for the same or similar causes as Incident No. 208916; and
- h. On May 2, 2016, installed a full enclosure for the Kiln No. 3 flue gas analyzer to protect it from rain in order to prevent the recurrence of emissions events for the same or similar causes as Incident No. 213904.

II. CONCLUSIONS OF LAW

1. As evidenced by Finding of Fact No. 1, the Respondent is subject to the jurisdiction of the TCEQ pursuant to TEX. HEALTH & SAFETY CODE ch. 382 and the rules of the TCEQ.
2. As evidenced by Finding of Fact No. 2, the Respondent failed to report on final records all individually listed compounds or mixtures of air contaminants for reportable emissions events, in violation of 30 TEX. ADMIN. CODE §§ 101.201(b)(1)(G) and (b)(1)(H) and 122.143(4), Federal Operating Permit ("FOP") No. O3335, Special Terms and Conditions ("STC") No. 2.F., and TEX. HEALTH & SAFETY CODE § 382.085(b).
3. As evidenced by Finding of Fact No. 3, the Respondent failed to submit an initial notification for Incident No. 212534 within 24 hours after discovery of the emissions event, in violation of 30 TEX. ADMIN. CODE §§ 101.201(a)(1)(B) and 122.143(4), FOP No. O3335, STC No. 2.F., and TEX. HEALTH & SAFETY CODE § 382.085(b).
4. As evidenced by Finding of Fact No. 4, the Respondent failed to prevent unauthorized emissions, in violation of 30 TEX. ADMIN. CODE §§ 116.115(c) and 122.143(4), FOP No. O3335, STC No. 8, New Source Review ("NSR") Permit No. 56552, Special Conditions ("SC") No. 1, and TEX. HEALTH & SAFETY CODE § 382.085(b). Since this emissions event was not properly reported, the Respondent is precluded from asserting an affirmative defense under 30 TEX. ADMIN. CODE § 101.222.
5. As evidenced by Finding of Fact No. 5, the Respondent failed to prevent unauthorized emissions, in violation of 30 TEX. ADMIN. CODE §§ 116.115(c) and 122.143(4), FOP No. O3335, STC No. 8, NSR Permit No. 56552, SC No. 1, and TEX. HEALTH & SAFETY CODE § 382.085(b). Since this emissions event could have been prevented by better operational practices and was not reported correctly, the Respondent is precluded from asserting an affirmative defense under 30 TEX. ADMIN. CODE § 101.222.
6. As evidenced by Finding of Fact No. 6, the Respondent failed to prevent unauthorized emissions, in violation of TEX. HEALTH & SAFETY CODE § 382.085(a) and (b). Since this emissions event could have been prevented by better operational practices and was not

- reported correctly, the Respondent is precluded from asserting an affirmative defense under 30 TEX. ADMIN. CODE § 101.222.
7. As evidenced by Finding of Fact No. 7, the Respondent failed to prevent unauthorized emissions, in violation of 30 TEX. ADMIN. CODE §§ 116.115(c) and 122.143(4), FOP No. O3335, STC No. 8, NSR Permit No. 56552, SC No. 1, and TEX. HEALTH & SAFETY CODE § 382.085(b). Since this emissions event was not reported correctly, the Respondent is precluded from asserting an affirmative defense under 30 TEX. ADMIN. CODE § 101.222.
 8. As evidenced by Finding of Fact No. 8, the Respondent failed to prevent unauthorized emissions, in violation of TEX. HEALTH & SAFETY CODE § 382.085(a) and (b). Since this emissions event was not reported correctly, the Respondent is precluded from asserting an affirmative defense under 30 TEX. ADMIN. CODE § 101.222.
 9. As evidenced by Finding of Fact No. 9, the Respondent failed to prevent unauthorized emissions, in violation of 30 TEX. ADMIN. CODE §§ 101.20(3), 116.115(c), and 122.143(4), FOP No. O3335, STC No. 8, NSR Permit Nos. 78421 and PSDTX1183, SC No. 1, and TEX. HEALTH & SAFETY CODE § 382.085(b). Since this emissions event was not reported correctly, the Respondent is precluded from asserting an affirmative defense under 30 TEX. ADMIN. CODE § 101.222.
 10. As evidenced by Finding of Fact No. 10, the Respondent failed to prevent unauthorized emissions, in violation of 30 TEX. ADMIN. CODE §§ 116.115(c) and 122.143(4), FOP No. O3335, STC No. 8, NSR Permit No. 56552, SC No. 1, and TEX. HEALTH & SAFETY CODE § 382.085(b). Since this emissions event was not reported correctly, the Respondent is precluded from asserting an affirmative defense under 30 TEX. ADMIN. CODE § 101.222.
 11. Pursuant to TEX. WATER CODE § 7.051, the TCEQ has the authority to assess a penalty against the Respondent for violations of state statutes within the TCEQ's jurisdiction, for violations of rules adopted under such statutes, or for violations of orders or permits issued under such statutes.
 12. An administrative penalty in the amount of \$65,208 is justified by the facts recited in this Order, and considered in light of the factors set forth in TEX. WATER CODE § 7.053. The Respondent paid \$32,604 of the penalty. Pursuant to TEX. WATER CODE § 7.067, \$32,604 of the penalty shall be conditionally offset by the Respondent's timely and satisfactory completion of a Supplemental Environmental Program ("SEP") as defined in the SEP Agreement ("Attachment A", incorporated herein by reference). The Respondent's obligation to pay the conditionally offset portion of the penalty shall be discharged upon full compliance with all the terms of this Order, which includes timely and satisfactory completion of all provisions of the SEP Agreement, as determined by the Executive Director.

III. ORDERING PROVISIONS

NOW, THEREFORE, THE TEXAS COMMISSION ON ENVIRONMENTAL QUALITY ORDERS that:

1. The Respondent is assessed a penalty as set forth in Conclusion of Law No. 12 for violations of state statutes and rules of the TCEQ. The payment of this penalty and the Respondent's compliance with all the requirements set forth in this Order resolve only the matters set forth by this Order in this action. The Commission shall not be constrained in any manner from requiring corrective actions or penalties for violations that are not raised here. Penalty payments shall be made payable to "TCEQ" and shall be sent with the notation "Re: Cabot Norit Americas, Inc., Docket No. 2016-0309-AIR-E" to:

Financial Administration Division, Revenue Operations Section
Attention: Cashier's Office, MC 214
Texas Commission on Environmental Quality
P.O. Box 13088
Austin, Texas 78711-3088
2. The Respondent shall implement and complete an SEP as set forth in Section II, Paragraph 12. The amount of \$32,604 of the assessed penalty is conditionally offset based on the Respondent's completion of the SEP pursuant to the terms of the SEP Agreement. The Respondent's obligation to pay the conditionally offset portion of the assessed penalty shall be discharged upon completion of all provisions of the SEP Agreement, as determined by the Executive Director. Penalty payments for any portion of the SEP deemed by the Executive Director as not complete shall be paid within 30 days after the date the Executive Director demands payment.
3. All relief not expressly granted in this Order is denied.
4. The duties and provisions imposed by this Order shall apply to and be binding upon the Respondent. The Respondent is ordered to give notice of this Order to personnel who maintain day-to-day control over the Plant operations referenced in this Order.
5. If the Respondent fails to comply with any of the Ordering Provisions in this Order within the prescribed schedules, and that failure is caused solely by an act of God, war, strike, riot, or other catastrophe, the Respondent's failure to comply is not a violation of this Order. The Respondent shall have the burden of establishing to the Executive Director's satisfaction that such an event has occurred. The Respondent shall notify the Executive Director within seven days after the Respondent becomes aware of a delaying event and shall take all reasonable measures to mitigate and minimize any delay.
6. The Executive Director may grant an extension of any deadline in this Order or in any plan, report, or other document submitted pursuant to this Order, upon a written and substantiated showing of good cause. All requests for extensions by the Respondent shall be made in writing to the Executive Director. Extensions are not effective until the

Respondent receives written approval from the Executive Director. The determination of what constitutes good cause rests solely with the Executive Director.

7. The Executive Director may, without further notice or hearing, refer this matter to the Office of the Attorney General of the State of Texas ("OAG") for further enforcement proceedings if the Executive Director determines that the Respondent has not complied with one or more of the terms in this Order.
8. This Order shall terminate five years from its effective date or upon compliance with all the terms and conditions set forth in this Order, whichever is later.
9. This Order, issued by the Commission, shall not be admissible against the Respondent in a civil proceeding, unless the proceeding is brought by the OAG to: (1) enforce the terms of this Order; or (2) pursue violations of a statute within the Commission's jurisdiction, or of a rule adopted or an order or permit issued by the Commission under such a statute.
10. This Order may be executed in separate and multiple counterparts, which together shall constitute a single instrument. Any page of this Order may be copied, scanned, digitized, converted to electronic portable document format ("pdf"), or otherwise reproduced and may be transmitted by digital or electronic transmission, including but not limited to facsimile transmission and electronic mail. Any signature affixed to this Order shall constitute an original signature for all purposes and may be used, filed, substituted, or issued for any purpose for which an original signature could be used. The term "signature" shall include manual signatures and true and accurate reproductions of manual signatures created, executed, endorsed, adopted, or authorized by the person or persons to whom the signatures are attributable. Signatures may be copied or reproduced digitally, electronically, by photocopying, engraving, imprinting, lithographing, electronic mail, facsimile transmission, stamping, or any other means or process which the Executive Director deems acceptable. In this paragraph exclusively, the terms: electronic transmission, owner, person, writing, and written, shall have the meanings assigned to them under TEX. BUS. ORG. CODE § 1.002.
11. The effective date of this Order is the date it is signed by the Commission. A copy of this fully executed Order shall be provided to each of the parties.

SIGNATURE PAGE

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

For the Commission

Date

Nancy Miller for Ramiro Garcia, Jr.

9.22.16

For the Executive Director

Date

I, the undersigned, have read and understand the attached Order. I am authorized to agree to the attached Order, and I do agree to the terms and conditions specified therein. I further acknowledge that the TCEQ, in accepting payment for the penalty amount, is materially relying on such representation.

I also understand that failure to comply with the Ordering Provisions, if any, in this order and/or failure to timely pay the penalty amount, may result in:

- A negative impact on compliance history;
- Greater scrutiny of any permit applications submitted;
- Referral of this case to the Attorney General's Office for contempt, injunctive relief, additional penalties, and/or attorney fees, or to a collection agency;
- Increased penalties in any future enforcement actions;
- Automatic referral to the Attorney General's Office of any future enforcement actions; and
- TCEQ seeking other relief as authorized by law.

In addition, any falsification of any compliance documents may result in criminal prosecution.

Gavin James Barrack

Signature

5/23/2016

Date

GAVIN JAMES BARRACK

FACILITY GENERAL MANAGER

Name (Printed or typed)
Authorized Representative of
Cabot Norit Americas, Inc.

Title

Instructions: Send the original, signed Order with penalty payment to the Financial Administration Division, Revenue Operations Section at the address in Section III, Paragraph 1 of this Order.

If mailing address has changed, please check this box and provide the new address below:

Attachment A
Docket Number: 2016-0309-AIR-E
SUPPLEMENTAL ENVIRONMENTAL PROJECT

Respondent:	Cabot Norit Americas, Inc.
Penalty Amount:	Sixty-Five Thousand Two Hundred Eight Dollars (\$65,208)
SEP Offset Amount:	Thirty-Two Thousand Six Hundred Four Dollars (\$32,604)
Type of SEP:	Contribution to a Third-Party Pre-Approved SEP
Third-Party Administrator:	Texas Association of Resource Conservation and Development Areas, Inc.
Project Name:	<i>Tire Collection Events and Cleanup of Abandoned Tire Sites</i>
Location of SEP:	Harrison County: Sabine River Basin, Carrizo-Wilcox Plateau Aquifer

The Texas Commission on Environmental Quality (“TCEQ”) agrees to offset a portion of the administrative penalty amount assessed in this Agreed Order for the Respondent to contribute to a Supplemental Environmental Project (“SEP”). The offset is equal to the SEP Offset Amount set forth above and is conditioned upon completion of the project in accordance with the terms of this Attachment A.

1. Project Description

a. Project

The Respondent shall contribute the SEP Offset Amount to the Third-Party Administrator named above. The contribution will be to the **Texas Association of Resource Conservation and Development Areas, Inc. (“RC&D”)** for the *Tire Collection Events and Cleanup of Abandoned Tire Sites* project. The contribution will be used in accordance with the SEP Agreement between the Third-Party Administrator and the TCEQ (the “Project”). Specifically, the SEP Offset Amount will be used to coordinate with local city and county government officials and private entities (“Partner Entities”) to conduct tire collection events where residents will be able to drop off tires for proper disposal or recycling (“Collection Events”), or to clean sites where tires have been disposed of illegally (“Site Cleanups”).

Texas RC&D shall ensure that collected tires, debris, and waste are properly transported to and disposed at an authorized disposal site, and if a licensed hauler is needed for tires or other regulated waste collected from sites, Texas RC&D shall ensure that only properly licensed haulers are used for transport and disposal of tires and regulated wastes. The SEP will be performed in accordance with all federal, state, and local environmental laws and regulations.

All dollars contributed will be used solely for the direct cost of the Project, including but not limited to supplies, materials, and equipment. Any portion of this contribution that is not able to be spent on the specifically identified SEP may, at the discretion of the Executive Director ("ED"), be applied to another pre-approved SEP.

The Respondent's signature affixed to this Agreed Order certifies that it has no prior commitment to make this contribution and that it is being contributed solely in an effort to settle this enforcement action. The Respondent shall not profit in any manner from this SEP.

b. Environmental Benefit

This SEP will provide an environmental benefit by providing communities with a free and convenient means for safe and proper disposal of tires and by reducing the dangers and health threats associated with illegally dumped tires.

The health risks associated with illegal dumping are significant. Areas used for illegal tire dumping may be easily accessible to people, especially children, who are vulnerable to the physical hazards posed by abandoned tires. Rodents, insects, and other vermin attracted to dump sites may also pose health risks. Tire dump sites which contain scrap tires pose an ideal breeding ground for mosquitoes, which can breed 100 times faster in the warm, stagnant water standing in scrap tire casings. Severe illnesses, including West Nile Virus, have been attributed to disease-carrying mosquitoes. The potential for tire fires is also reduced by removing illegally dumped tires. Tire fires can result in the contamination of air, surface water, ground water, and soil. In addition, neighborhoods have been evacuated and property damage has been significant due to tire dump sites that caught fire. Illegal tire dumping can also impact drainage of runoff, making areas more susceptible to flooding when wastes block waterways. Open burning at tire dump sites can cause forest fires and erosion as fires burn away trees and undergrowth. Tire dumping has a negative impact on trees and wildlife, and runoff from tire dumpsites may contain chemicals that can contaminate wells and surface water used for drinking.

c. Minimum Expenditure

The Respondent shall contribute at least the SEP Offset Amount to the Third-Party Administrator and comply with all other provisions of this SEP.

2. Performance Schedule

Within 30 days after the effective date of this Agreed Order, the Respondent must contribute the SEP Offset Amount to the Third-Party Administrator. The Respondent shall make the check payable to **Texas Association of RC&D SEP** and shall mail the contribution with a copy of the Agreed Order to:

Cabot Norit Americas, Inc.
Agreed Order - Attachment A

Texas Association of RC&D Areas, Inc.
Attn.: Jerry Pearce, Executive Director
P.O. Box 2533
Victoria, Texas 77902

3. Records and Reporting

Concurrent with the payment of the SEP Offset Amount, the Respondent shall provide the Enforcement SEP Coordinator with a copy of the check and transmittal letter indicating full payment of the SEP Offset Amount to the Third-Party Administrator. The Respondent shall mail a copy of the check and transmittal letter to:

Texas Commission on Environmental Quality
Enforcement Division
Attention: SEP Coordinator, MC 219
P.O. Box 13087
Austin, Texas 78711-3087

4. Failure to Fully Perform

If the Respondent does not perform its obligations under this Attachment A, including full expenditure of the SEP Offset Amount, as described in Sections 2 and 3 above, the ED may require immediate payment of all or part of the SEP Offset Amount.

In the event the ED determines that the Respondent failed to fully implement and complete the Project, the Respondent shall remit payment for all or a portion of the SEP Offset Amount, as determined by the ED, and as set forth in the attached Agreed Order. After receiving notice of failure to complete the SEP, the Respondent shall include the docket number of the attached Agreed Order and a note that the enclosed payment is for the reimbursement of a SEP. The Respondent shall make the check payable to "Texas Commission on Environmental Quality," and shall mail it to:

Texas Commission on Environmental Quality
Litigation Division
Attention: SEP Coordinator, MC 175
P.O. Box 13087
Austin, Texas 78711-3087

5. Publicity

Any public statements concerning this SEP and/or project, made by or on behalf of the Respondent must include a clear statement that **the project was performed as part of the settlement of an enforcement action brought by the TCEQ**. Such statements include advertising, public relations, and press releases.

6. Recognition

The Respondent may not seek recognition for this contribution in any other state or federal regulatory program.

7. Other SEPs by TCEQ or Other Agencies

The SEP Offset Amount identified in this Attachment A and in the attached Agreed Order has not been, and shall not be, included as a SEP for the Respondent under any other Agreed Order negotiated with the TCEQ or any other agency of the state or federal government.